



STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
CHARLES J. KROGMEIER, DIRECTOR

September 30, 2010

The Honorable Chester J. Culver
State Capitol
Des Moines, Iowa 50319

Dear Governor Culver:

On behalf of the Human Services Council, I am pleased to present our funding recommendation for SFY 2012. The fifteen offers detailed in the attached document provide an overview of the Department's work with over 900,000 Iowans who annually access our services. The funding needed to maintain the array of services and sustain results is detailed in the financial information following each offer.

The economic landscape continues to strongly influence both the demand for services and the resources available to meet that demand. Although the impact of the sputtering economy continues to drive high demand for services, growth is beginning to slow. In addition, the prior year across-the-board cuts leading to reorganization of the Department, along with the recent State Employees Retirement Incentive Program (SERIP) resulted in a significant reduction in staff resources. The challenge across the Department is to continue to deliver quality services and assure safety with a much smaller work force.

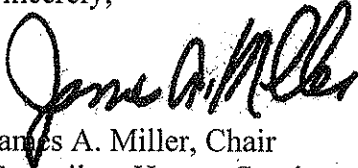
Also significant on our SFY 12 funding recommendation is the effect of shifting funding sources. In SFY 11, Federal funds available for many of our programs through the American Recovery and Reinvestment Act (ARRA) and State dollars from one-time sources were effective in minimizing the impact of declining state revenues and avoiding painful cuts to service and service delivery. To avoid a significant disruption in critical safety net services at a time when they are most needed, we have assumed restoration of both in our recommendation.

We have also included a minimal funding increase to continue efforts in two of the Department's priorities: preparation for Federal health care reform and improving the delivery of mental health services.

With you, we remain committed to the work of the Department and the critical roles it plays in the lives of Iowans. Our recommendation will provide adequate funding to continue those efforts.

As always, should you have questions, members of the Council and Department staff are available to assist in your deliberations.

Sincerely,

A handwritten signature in black ink, appearing to read "James A. Miller". The signature is fluid and cursive, with the first name "James" being the most prominent.

James A. Miller, Chair
Council on Human Services

Council Members:

Dr. Phyllis S. Hansell, Des Moines
Roger L. Hartman, Clarinda
Dr. Mark R. Peltan, Mason City
Sally A. Stutsman, Riverside
Donald E. Wright, Cedar Falls
Roberta A. Yoder, Urbandale
State Senator David Hartsuch
State Senator Becky Schmitz
State Representative Lisa Heddens
State Representative Renee Schulte

Enclosure